



NATIONAL CREDIT UNION ADMINISTRATION

Agency Information Collection Activities: Proposed Collection; Comment Request; Succession Planning

AGENCY: National Credit Union Administration (NCUA).

ACTION: Notice and request for comment.

SUMMARY: The National Credit Union Administration (NCUA), as part of a continuing effort to reduce paperwork and respondent burden, invites the general public and other Federal agencies to comment on the following new collection, as required by the Paperwork Reduction Act of 1995.

DATES: Written comments should be received on or before **[INSERT DATE 60 DAYS FROM DATE OF PUBLICATION IN THE FEDERAL REGISTER]** to be assured consideration.

ADDRESSES: Interested persons are invited to submit written comments on the information collection to Dawn Wolfgang, National Credit Union Administration, 1775 Duke Street, Suite 6032, Alexandria, Virginia 22314; e-mail at PRAComments@NCUA.gov. Given the limited in-house staff because of the COVID-19 pandemic, email comments are preferred.

FOR FURTHER INFORMATION CONTACT: Address requests for additional information to Dawn Wolfgang at the address above or telephone 703-548-2279.

SUPPLEMENTARY INFORMATION:

OMB Number: 3133-NEW.

Title: Succession Planning, 12 CFR 701.4(e).

Type of Review: New collection.

Abstract: The NCUA Board (Board) proposes that Federal Credit Union (FCU) boards of directors establish and adhere to processes for succession planning. The succession plans will help to ensure that the credit union has plans to fill key positions, such as officers of the board,

management officials, executive committee members, supervisory committee members, and (where provided for in the bylaws) the members of the credit committee to provide continuity of operations. In addition, the proposed rule would require directors to be knowledgeable about the FCU's succession plan. Although the proposed rule would apply only to FCUs, the Board's purpose is to encourage and strengthen succession planning for all credit unions. The proposed rule would provide FCUs with broad discretion in implementing the proposed regulatory requirements to minimize any burden.

Succession planning is recognized as vital to the success of any institution, including credit unions. One of the variables over which a credit union board has control is the hiring of the organization's senior management. A board's failure to plan for the transition of its management could potentially come with high costs, including the potential for the unplanned merger of the credit union upon the departure of key personnel.

Affected Public: Private Sector: Not-for-profit institutions.

Estimated No. of Respondents: 3,125.

Estimated No. of Responses per Respondent: 1.33.

Estimated Total Annual Responses: 4,166.

Estimated Burden Hours per Response: 0.31.

Estimated Total Annual Burden Hours: 1,303.

The NCUA published the proposed rule at 87 FR 6078, on February 3, 2022 (FR Doc. 2022-02038). This proposed rule would require all federal credit unions (FCUs) to establish a succession plan and to review and update this plan annually. A one-time recordkeeping burden would apply to all FCUs with the promulgation of this rule, with additional information collection burden associated with the maintaining and retaining this record.

REQUEST FOR COMMENTS: The NCUA invites comments on: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility; (b) the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used; (c) ways to enhance the quality, utility and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology; and (e) estimates of capital or start-up costs and cost of operation, maintenance, and purchase of services to provide information.

All comments are a matter of public records. Interested persons are invited to submit written comments to (1) www.reginfo.gov/public/do/PRAMain. Find this particular information collection by selecting the Agency under "Currently under Review" and to (2) Dawn Wolfgang, National Credit Union Administration, 1775 Duke Street, Suite 6032, Alexandria, Virginia 22314; Fax No. 703-519-8579; or email at PRAComments@ncua.gov. Given the limited in-house staff because of the COVID-19 pandemic, email comments are preferred.

By Melane Conyers-Ausbrooks, Secretary of the Board, the National Credit Union Administration, on February 3, 2022.

Dated: February 4, 2022.

Dawn D. Wolfgang,

NCUA PRA Clearance Officer.